


Councilmember Carol Schwartz

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Councilmember Carol Schwartz introduced the following bill, which was referred to the Committee on _____.

To amend An Act To establish a code of law for the District of Columbia to require that a notice of intention to hold a mechanic's lien filed by a contractor or subcontractor shall include a copy of the contract signed by the parties, and a valid contractors' license, or a certificate of good standing, to provide for a 6 month statute of limitation to file an action to enforce a mechanic's lien, and to provide that if a mechanic's lien is not released within a period of 2 years from the date of recording, it shall be deemed paid and satisfied without any action on part of the owner or any other person having an interest in the real property.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the "Mechanic's Lien Amendment Act of 2001".

Sec. 2. An Act To establish a code of law for the District of Columbia, approved March 3, 1901 (31 Stat.1384; D.C. Code § 38-101), is amended as follows:

(a) Section 1238 (D.C. Code § 138-102) is amended to read as follows:

"(a) Any such contractor wishing to avail himself or herself of the provisions aforesaid, whether his or her claim be due or not, shall file in the Office of the Recorder of Deeds of the District of Columbia during construction or within 3 months after the completion of such building, improvement, repairs, or addition, or the placing therein or in connection therein of any engine, machinery, or other thing so as to become

a fixture, a notice of his intention to hold a lien on the property hereby declared liable to such lien for the amount due or to become due to him or her:

"(1) A copy of the contract signed by all parties in interest;

"(2) A valid residential home improvement contractor's license filed with the District of Columbia Department of Consumer and Regulatory Affairs; or

"(3) A certificate of good standing from the District of Columbia department of Consumer and Regulatory affairs, or a certificate of good standing or a statement from the appropriate taxing authority indicating the federal and local tax identification numbers;

"(b) A notice of intention to hold a lien shall set forth at least the following:

"(1) The name and address of the contractor;

"(2) The name and address of the owner;

"(3) The nature or kind of work done or the kind and amount of material furnished, the name of the party against whose interest a lien is claimed and the amount claimed, less any credit; and

"(4) A description of the property to be charged.".

(b) Section 1239 (D.C. Code § 38-103) is amended to read as follows:

"Any person directly employed by the original contractor, whether as subcontractor, materialman, or laborer, to furnish work or material for the completion of the work contracted for, shall be entitled to a similar lien to that of the original contractor, upon filing a notice which complies with the requirements set forth in section 1238.".

(c) Section 1239 (D.C. Code § 38-115) is amended to read as follows:

"An action to enforce a mechanic's lien may be filed at any time within 6 months after the filing of a notice of intention to hold a lien or from the date of completion of the building, improvement, or repairs."

(d) A new Section 1254a is added to read as follows:

"Sec. 1254a.

"If a mechanics lien is not released within a period of 2 years from the date of recording, it shall be deemed to have been paid and satisfied without any action on part of the owner or any other person having an interest in the real property."

Sec. 3. The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Code §1-233(c)(3)).

Sec. 4. This act shall take effect following approval by the Mayor (or in the event of a veto by the Mayor, action by the Council to override the veto), approval by the Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 116; D.C. Code § 47-392.3(a)), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Code §1-233(c)(1)), and publication in the District of Columbia Register.